



ASX Release  
24 July 2013

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CSE

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## QUARTERLY REPORT ON ACTIVITIES April to June 2013

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### Highlights

- Drilling for heavy mineral sands on Exploration Licence 5415 near Warracknabeal in Victoria has located some anomalous areas that are currently being assessed with mineralogical work and follow up magnetics.
- Careful assessment of several companies, projects and exploration opportunities has not yet led to any acquisitions, mergers or joint ventures.

### Exploration Activities – Mineral Sands at Warracknabeal

Based on the discovery of zircon-rich heavy mineral (HM) sands in paleo-beaches by Aberfoyle near Warracknabeal, Victoria in the 1980s, Copper Strike applied for the relevant exploration tenure early in 2012. Following field reconnaissance work last year, the 2013 exploration season consisted of two phases of aircore drilling: Phase 1 in February and Phase 2 in April for a total of 4661m. Phase 1 consisted of 2739m of drilling in 121 holes over 8 Lines labelled B-H. Phase 2 completed 1922m in 78 holes. Phase two added two traverses I, K and infilled Lines C, D, G and extended traverse B. Average hole depth was 22-24m, to a maximum of 30m. Drillhole locations are shown in Figure 1. Drilling was largely completed on private land except for two holes completed on a shire road reserve. Private landholders signed access and compensation agreements with Copper Strike, providing access to their properties.

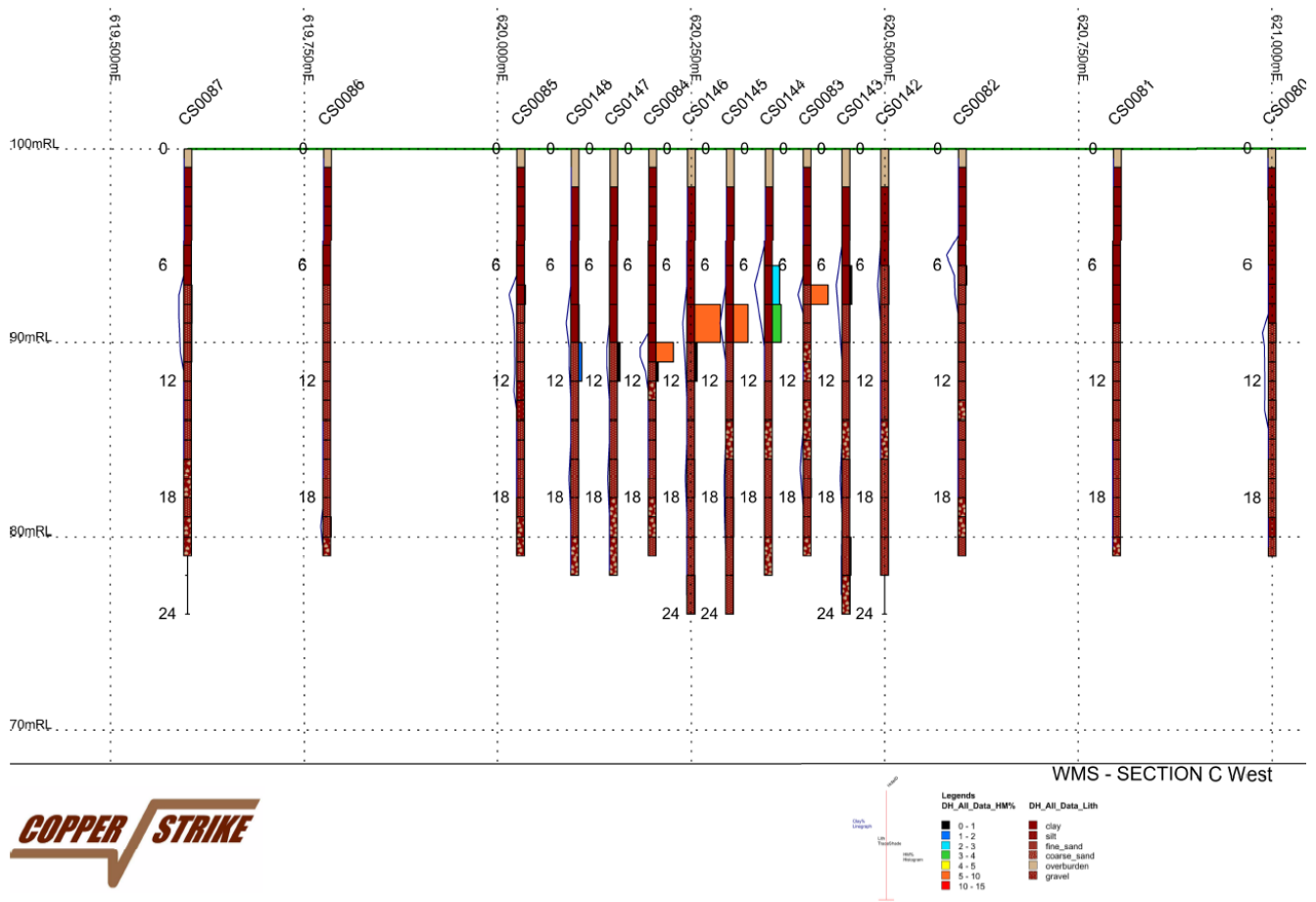
In addition to the drilling, detailed ground magnetics is proving to be very useful in finding and tracing out the width and extent of the highest grade zones of mineralisation. This method will be utilised extensively before any further drilling programmes.

The February programme was successful on two fronts: in the zone around Line C, and in the zone from Line CM02/CM01 to KK06. The April programme was successful with infill drilling on Line C and extending the mineralisation to the north to Line K, suggesting that mineralisation is continuous over a length of about 10km to Aberfoyle's line KK67. Follow up Line I to the south was not successful.

*Registered Office*

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**Figure 2: Drill cross section for the western portion of Line C. Orange intersections are 5-10% heavy minerals. The zone averages 2m thick and is about 800m wide.**

## Administration

At 30 June 2013, Copper Strike had \$2.0 million in the bank.

## Activities Planned for the Next Quarter

Follow up magnetics for heavy mineral sand accumulations in the Warracknabeal, Victoria, area is currently in progress and will be finished this quarter. Check analysis of the heavy mineral concentrates will be completed to check for valuable heavies in the fine fraction.

Copper Strike's main corporate strategy is to complete a transaction that will effectively utilise the Company's assets and expertise in mineral exploration. This has not yet occurred because Copper Strike's main asset is 11 million Syrah Resources Limited shares currently worth around \$25 million. The volatility and positive outlook for this asset has made it difficult to agree a long term value of Copper Strike shares with potential partners, making a share based transaction difficult. Focus has shifted in the last six months to an earn-in type arrangement.

*The information in this report as it relates to geology, geochemical, geophysical and exploration results was compiled by Mr Tom Eadie, FAusIMM, who is a Competent Person and Executive Chairman of Copper Strike Ltd. Mr Eadie has more than 20 years experience in the activities being reported on and has sufficient expertise which is relevant to the style of mineralisation and type of deposit under consideration. He consents to the inclusion of this information in the form and context in which it appears in this report.*

## **Corporate Details**

### ***Issued Capital***

106,844,810 shares

Share Price \$0.16 (23 July 2013)

### ***Directors & Management***

Mr Tom Eadie – Executive Chairman

Mr Barrie Laws – Non Executive Director

Mr John Dunlop – Non Executive Director

Ms Melanie Leydin – Company Secretary

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# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

COPPER STRIKE LIMITED

ABN

16 108 398 983

Quarter ended ("current quarter")

30 JUNE 2013

### Consolidated statement of cash flows

	Current quarter \$A	Year to date (12 months) \$A
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(237,233)	(593,322)
(b) development	-	-
(c) production	-	-
(d) administration	(47,906)	(332,096)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4,294	99,929
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Rent received	14,452	45,954
<b>Net Operating Cash Flows</b>	<b>(266,393)</b>	<b>(779,535)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects/farmins	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – Deposits supporting guarantees	-	(10,000)
<b>Net investing cash flows</b>	<b>-</b>	<b>(10,000)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(266,393)</b>	<b>(789,535)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(266,393)	(789,535)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Return of Capital to Shareholders	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(266,393)	(789,535)
1.20	Cash at beginning of quarter/year to date	2,237,067	2,760,209
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,970,674	1,970,674

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	108,079
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries, Superannuation, and Consultancy fees paid to director related entities during the June 2013 quarter.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	-
4.3 Production	-
4.4 Administration	100
<b>Total</b>	<b>300</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	262	1,030
5.2 Deposits at call	1,084	1,084
5.3 Bank overdraft	-	-
5.4 Other – Bank term deposits	625	123
<b>Total: cash at end of quarter</b> (item 1.22)	<b>1,971</b>	<b>2,237</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	106,844,810	106,844,810	FP	FP
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	-  -	-  -	-  -	-  -
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues  (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>				
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

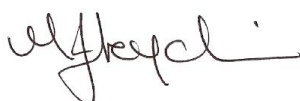
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 24 July 2013

Company Secretary

Print name: MELANIE LEYDIN

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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